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September 30, 2019

**VIA ELECTRONIC FILING**Randall Dong, Esq.  
Hearing Officer  
The Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29210**Re: Docket No. 2019-186-E** – Letter in Lieu of a Prehearing Brief and Request for  
Protection from Appearing at the Hearing

Dear Mr. Dong:

Nucor Steel-South Carolina is a large industrial customer of Duke Energy Progress and a party to this docket. Nucor has not filed testimony in this case, and does not plan to do so, because we believe that other parties have or will adequately address the issues in their testimony. Also, we do not intend to cross examine any witnesses or to otherwise participate in the hearing in this case. In light of Nucor's limited participation in this case, and in the interests of brevity, I am providing this letter in lieu of a prehearing brief.

While Nucor's participation in this case will be limited, we recognize the importance of the issues being addressed in this case to consumers. The avoided cost rates and QF terms and conditions approved in this docket will significantly affect DEP's costs well into the future, and these costs will ultimately be borne by consumers. As a result, while we do not offer specific positions on individual issues related to DEP's proposed rates for QF purchases at this time, we do support setting these rates as low as reasonably possible consistent with the statutory requirements concerning avoided cost. We believe this position is consistent with the General Assembly's directive in Act 62 that the Commission's determinations as to QF rates "shall be just and reasonable to ratepayers of the electrical utility, in the public interest . . . and nondiscriminatory to small power producers" and "shall strive to reduce the risk placed upon the using and consuming public." S.C. Code Ann. § 58-41-20(A).

We plan to continue to review the testimony and briefs filed by the parties in the case as well as the evidence presented at the hearing. We reserve the right to offer our views in a post-hearing brief and/or proposed order.

Finally, I will be out of state due to a military obligation during the hearing, and, by this letter, I request protection from having to appear at the hearing.

Charlotte, NC  
Charleston, SC

Randall Dong, Esq.  
September 30, 2019  
Page 2

Thank you for your consideration of our views and please advise if you have any questions or if you need an additional information from us.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Smith, II". The signature is stylized with a large, sweeping "R" and a cursive "Smith".

Robert R. Smith, II  
Counsel for Nucor Steel – South Carolina

RRS  
cc: All Parties of Record